

Final Presentation



Mercedes-Benz
Legacy of Innovation



Company
History

Competition
and market
barriers

Assortment of
goods/services

Innovation and its
impact on growth

Business Growth
Strategies/Tactics

Major successes
and failures

COVID's impact on the
company's development

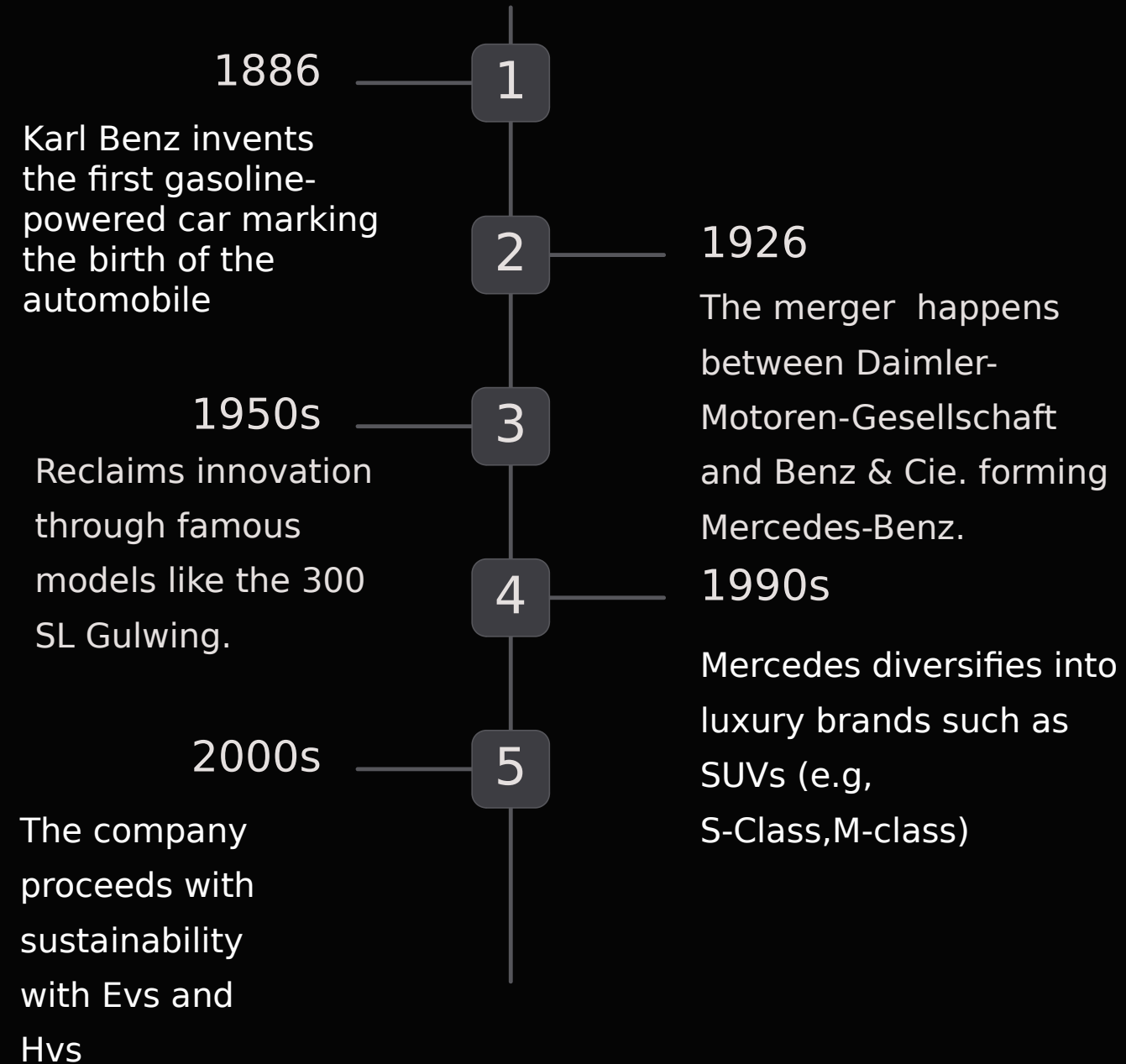
Conclusion

Company History

Mercedes-Benz, founded nearly 140 years ago, dates back to 1886 when Carl Benz patented the first motorized vehicle, and Gottlieb Daimler developed the four-wheeled motorcar. Omnipresent, the reinvented company traces its history as an innovator, a site for contemporary milestones, and motorsport achievements into today's globally active Mercedes-Benz Group AG. Luxury

Formation

Karl Benz and Gottlieb merged their companies to form Daimler-Benz AG, uniting their strengths Under the Mercedes-Benz name in 1926



Brand Choice



Luxury

Blend of
strengths

Symbolism

Brand Choice

The reasons why Mercedes was chosen

Luxury
Blend of strengths
Symbolism

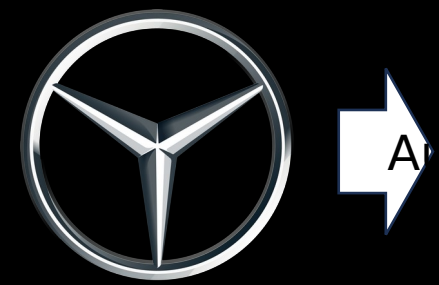
Evolution of the Logo

Mercedes-Benz



Assortment of Goods and Services

↓



Assortment of Goods and Services



Vertical

- Raw Materials
- Component Manufacturing
- Global Manufacturing
- Distribution Channels
- After-Sales Services



Factory 56



Automotive Company



Vertical integration is an act of taking ownership of various of its production/manufacturing process instead of working with external suppliers, which helps the company streamline the operations



Daimler manufacturing
locations outside Germany

■ Cars	■ Vans
■ Trucks	■ Bus

* Freightliner NC has plants in
Gaffney, Gastonia, and Mount Holly

Navigating Growth: Mercedes-Benz's Business Strategy

- Continue their luxury focus and profitability.
- Further cement their identity as a premier luxury brand.
 - Find the right balance for volume, price, and channel mix to allow profitable growth.

A commitment to Electrification.

- Develop a fully electric range by 2030.
- Develop unique electric architectures for several models.

Further expand sub-brands: AMG, Maybach, G-Class, EQ.

- Attracting heavy growth in high-performance and luxury segments.

Customer Relationships and Loyalty.

- Build customer-for-life satisfaction levels.
- Higher repeat purchase rates and revenue recurring from services and updates.

Cost Cutting Plans

- To divest capex: elimination of expenses in operations.
- From R&D: cost reduction.

Develop strategies for market adaptation.

- Put new models into the market with a concentration on the Chinese market.
- Price stability despite competitive pressures.

Sales Overview						
	Q4 2023	Q4 2022	Change	FY 2023	FY 2022	Change
Mercedes-Benz Cars	1,491,000	1,456,000	+1.5%	5,491,000	5,456,000	+1.5%
Mercedes-Benz EQ	104,000	104,000	0%	404,000	404,000	0%
Mercedes-Benz Trucks	104,000	104,000	0%	404,000	404,000	0%
Mercedes-Benz Financial Services	104,000	104,000	0%	404,000	404,000	0%
Mercedes-Benz Group AG	1,491,000	1,456,000	+1.5%	5,491,000	5,456,000	+1.5%
Mercedes-Benz Cars sales by segment						
Top-End	328,200	328,200	+0%	1,328,200	1,328,200	+0%
Core	1,162,800	1,127,800	+3%	4,162,800	4,127,800	+3%
Entry	104,000	104,000	0%	404,000	404,000	0%
Mercedes-Benz Cars sales by regions and markets						
Europe	571,500	571,500	0%	2,321,500	2,321,500	0%
Asia	983,800	983,800	0%	3,983,800	3,983,800	0%
thereof China	683,700	683,700	0%	2,737,200	2,737,200	0%
North America	144,200	144,200	0%	544,200	544,200	0%
Rest of World	99,500	99,500	0%	399,500	399,500	0%

Mercedes-Benz's Business Strategy

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	Q4 2023	Q4 2022	Change	FY 2023	FY 2022	Change
Mercedes-Benz Group	638,300	658,900	-3%	2,491,600	2,456,000	+1.5%
Mercedes-Benz Cars	514,000	536,200	-4%	2,043,800	2,040,700	+0%
- thereof Mercedes-Benz BEVs	66,200	53,500	+24%	240,600	149,200	+61%
- thereof Mercedes-Benz P.C. BEVs	62,300	47,100	+32%	222,600	128,700	+73%
- thereof smart fortwo/forfour BEVs	3,900	6,400	-39%	18,100	20,500	-12%
Mercedes-Benz Cars sales by segments*						
Top-End	81,800	95,800	-15%	328,200	328,200	+0%
Core	281,500	270,600	+4%	1,096,800	1,116,600	-2%
Entry	150,800	169,800	-11%	618,700	595,900	+4%
Mercedes-Benz Cars sales by regions and markets						
Europe**	174,200	171,500	+2%	659,400	618,900	+7%
- thereof Germany	61,400	69,600	-12%	234,300	215,600	+9%
Asia	227,500	254,000	-10%	963,800	988,200	-2%
- thereof China	166,700	180,500	-8%	737,200	753,900	-2%
North America***	90,700	87,500	+4%	339,500	344,200	-1%
- thereof U.S.	81,300	77,800	+4%	298,000	300,800	-1%
Rest of World	21,700	23,100	-6%	81,100	89,400	-9%

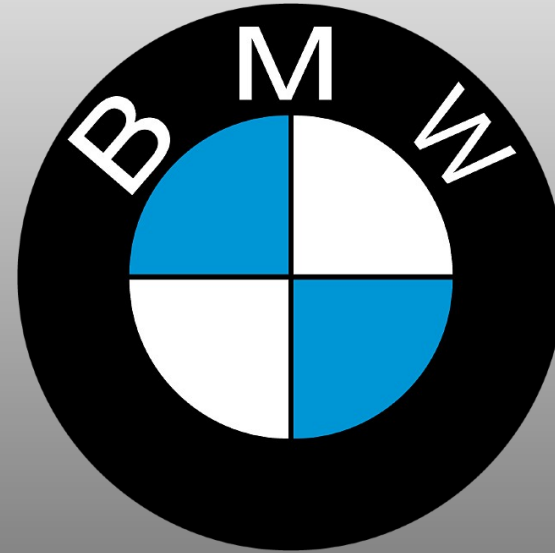
Competition



Competition



Audi is a main rival to Mercedes in most departments ranging from luxury sedans to performance models such as AUDI A8



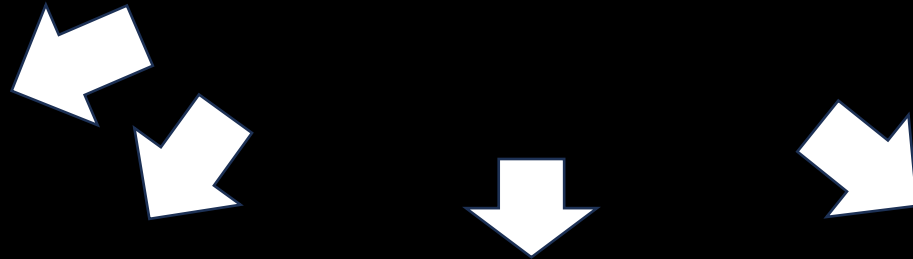
The iconic rival of Mercedes which offer exceptional luxury, performance and tech such as BMW 7 series



Porsche is known for performance and luxury. It puts special importance on the sportiness side of vehicles such as speed and velocity such as Porsche 911



Market Barriers



Market Barriers



Major successes and failures

Success: The S-Class

The S-Class comes with a batch of luxury, performance, and technology, bringing with it the most successful introduction in the history of Mercedes-Benz and making it a significant leader in the luxury car segment.

Success: AMG Performance Vehicles

The AMG performance division has been a major success, enhancing Mercedes-Benz's image and bringing in customers seeking high-performance vehicles with distinctive styles and strong engines.

Failure: The Smart Car

The Smart Car, initially aimed at urban mobility, did not achieve widespread success, underscoring the challenges of introducing niche vehicles in a competitive market.

Failure: The A-Class (Early Models)

Early models of the A-Class faced criticism for their safety and stability, highlighting the importance of rigorous testing and quality control in vehicle development.

Innovation and its impact on growth

Digital Technology

2 billion euro investment into workforce training

Autonomous Driving Technology



Positive Feedback from MBUX

Strategic Focus on R&D

An increase of 73 percent in sales through EQC and EQS models

*Electric Vehicles





COVID's Impact on the Company's Development for Mercedes-Benz

Production Suspension

The production of vehicles were mostly suspended in all Daimler AG plants in Europe in March 2020 due to the pandemic. The company took this decision with view to protecting employees by complying with health guidelines and preparing for the period of reduced demand.

Digitalization

The shift to digital sales channels was hastened by the epidemic. Mercedes-Benz undertook virtual customer meetings and improved online engagement programs so that customers could maintain contact while being confined indoors. The change is, evidently, one of the key characteristics of the "new normal."

Adaption

As the consumers leaned more towards sustainability, thus pushing Mercedes-Benz to hasten plans on electric and sustainability practices. Most importantly, it was for the increased demand in the market for environmentally-friendly transportation solutions.

Health and Safety

The company primarily provided affordable safety and health methods of life to all employees, consumers, and partners alike in the face of comprehensive health protocols, such as work-from-home arrangements, social distancing, and intensive cleanliness in facilities.

Supply Chain Adjustments

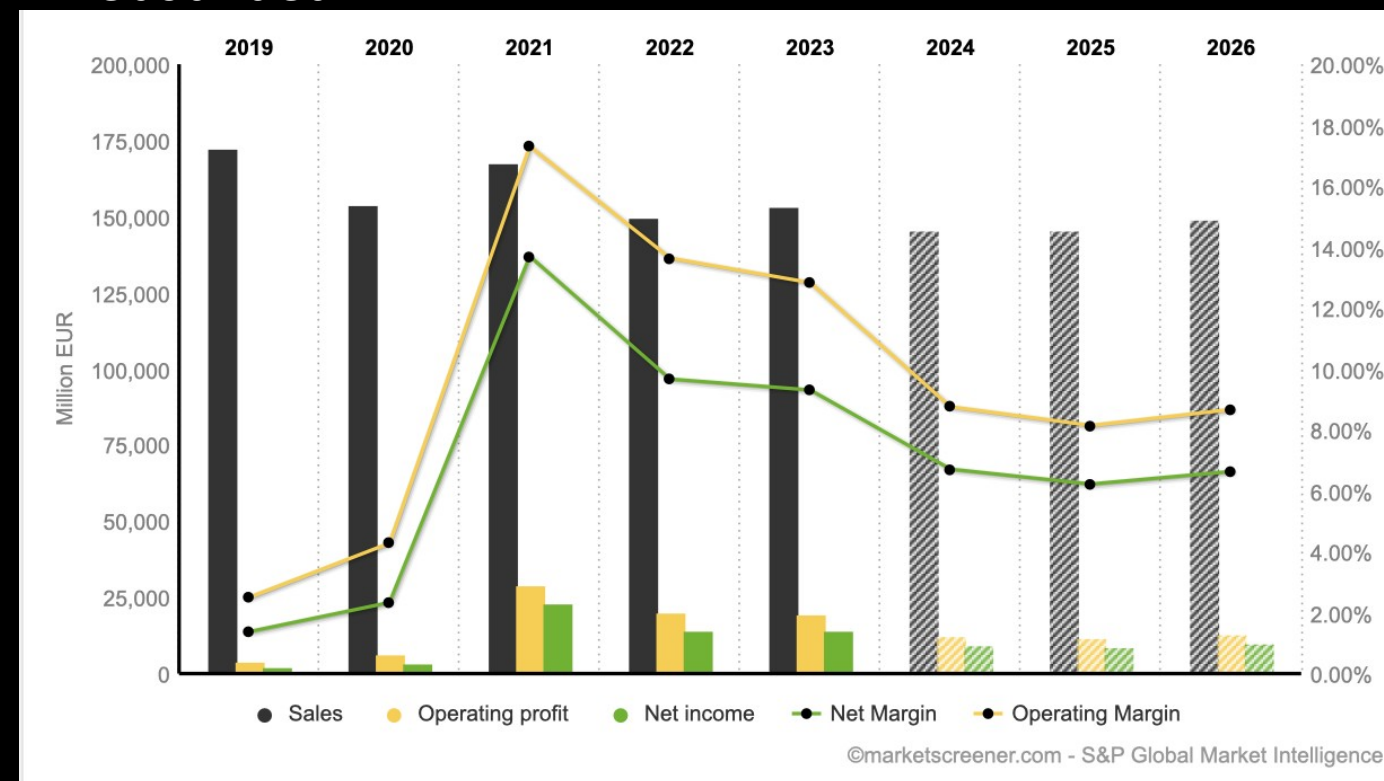
The pandemic has not left out any corner untouched by exposing vulnerabilities in every global supply chain. Mercedes-Benz had to critically assess its supply chain strategies and adapt them for resilience against future disruptions.



COVID's Impact on the Company's Development for Mercedes-Benz

Financial Implications

Like all the other automotive industries, Mercedes-Benz was forced to disrupt its supply chain and production schedules due to the pandemic. However, the company made significant adaptations by improving its digital sales channels and hosting online customer engagement which can be seen after 2020 as it rebounded



Conclusion

In the automobile industry, Mercedes-Benz is considered the top global player-marked by a rich tradition of ingenuity, various packages, and devotion to sustainability-and continuous change, investment in technologies at the cutting edge, and adaptation to market trends have made the company consolidate its existing niche in the luxury as well as the electric vehicle market.

Withstanding some tough times-from the pandemic to a laser focus on customer-centric, environmentally sound strategies-Mercedes-Benz, therefore, remains well poised to shape the future of mobility while preserving its rich history of excellence.



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Thank You !!!

